

**Washington, D.C.** - The U.S. House of Representatives today passed an amendment sponsored by **Rep. Brad Miller (NC-13)** by a 256 to 160 vote that would affirm the longstanding right of States to regulate the home foreclosure process. The Miller-LaTourette Amendment is part of the American Housing Rescue and Foreclosure Prevention Act which will create a voluntary FHA program to provide mortgage refinancing assistance to allow families to stay in their homes, protect neighborhoods, and help stabilize the housing market.

"Federal regulators do not have the authority to preempt State law regulating foreclosure," said **Rep. Miller**. "My amendment protects the longstanding rights of states to take every measure to help families facing foreclosure."

Foreclosure is governed by State law. Unlike consumer protection laws, state foreclosure and real estate property laws generally have not been subject to broad regulatory interpretations of federal preemption. In recent weeks, however, some have reportedly raised objections to the application of some state foreclosure laws arguing that ambiguities in the regulators' interpretation of the National Bank Act and Home Owners Loan Acts could permit federal preemption of State foreclosure laws.

Several states are contemplating bills that would let borrowers obtain a six-month delay to one-year delay on foreclosures. Only Maryland has enacted a moratorium so far.

National banks and federal thrifts (like other holders of mortgages) are currently subject to state foreclosure laws. Because no federal foreclosure law exists, preemption would replace state law with nothing. There is no reason national bank and federal thrifts should be treated differently from all other mortgage holders when it comes to how to foreclose and how to maintain foreclosed property.

"I commend Congressman Miller for respecting the ability of states to protect their own citizens through state foreclosure laws," said **Rep. Dan Blue**, Chairman of the North Carolina House Select Committee on Rising Home Foreclosures.

The Miller-LaTourette Amendment has been endorsed by several public interest groups including AARP, the Center for Responsible Lending, NAACP, SEIU and PIRG.

The subprime mortgage crisis could force 2.2 million American families to lose their home to foreclosure in the next two years. Every foreclosure means a family is falling out of the middle class into poverty. Congressman Miller has also been working to pass national legislation to crack down on abusive predatory lending practices in the mortgage industry. He also introduced legislation to provide emergency relief to homeowners facing foreclosure. His bankruptcy bill would repeal a provision of the U.S. Bankruptcy Code and allow judges to modify mortgage agreements for family's only home.

The law currently allows judges to modify agreements on vacation homes and yachts for the wealthy.

In addition, **Rep. Miller** sponsored an Amendment to a separate housing bill to ensure that the number of cities guaranteed federal funding to purchase foreclosed homes would increase to include cities the size of Raleigh and Greensboro.